
RARITAN TOWNSHIP MUNICIPAL UTILITIES AUTHORITY
REGULAR MEETING MINUTES

APPROVED

OCTOBER 18, 2018

365 Old York Road, Flemington, New Jersey
(908) 782-7453 Office (908) 782-7466 Fax

1. **MEETING CALLED TO ORDER AT 5:00 PM**

The meeting of the Raritan Township Municipal Utilities Authority (RTMUA) was called to order stating that the meeting had been advertised in accordance with the Open Public Meetings Act setting forth the time with the RTMUA office as the place of said meeting. It was further stated that a copy of the Agenda was posted on the RTMUA office bulletin board.

2. **ATTENDANCE ROLL CALL:**

Mr. Grand	Here
Mr. Hazard	Here
Mr. Kendzulak, Jr.	Here
Mrs. Robitzski	Here
Mr. Tully	Here (arrived at 5:11 pm)

Also present were Greg LaFerla, RTMUA Chief Operator / Director; Regina Nicaretta, RTMUA Executive Secretary; Dan Madden, PE, Johnson, Mirmiran & Thompson.

3. **PLEDGE OF ALLEGIANCE**

4. **APPLICATIONS:**

None

Mr. Kendzulak, Jr. – We're going to switch things a little right now and go to Citizens' Privilege. Mr. Dilts would you like to speak?

Mr. Dilts – I'm here on behalf of Mr. Cust and Emerald Sky; we made a request for an allocation and it was suggested that we come back tonight and we're here looking for a little more progress.

Mr. Kendzulak, Jr. – We had our engineer go through and look at it. The short end of it is the engineer is recommending that we can allocate the required flow to address the COAH obligation, meaning 138 EDUS for your project as well as another COAH project.

Mr. Dilts – Can I get a copy of that letter eventually?

Mr. Kendzulak, Jr. – Yes. The next step would be that we would get a resolution transferring the COAH capacity to the Township and then the ball will be in the Township's court.

Mr. Dilts – When might you do that?

Mr. Kendzulak, Jr. – The next meeting would be on November 15, 2018.

Mr. Dilts – You'll adopt it then?

Mr. Kendzulak, Jr. – Yes, and then it will be forwarded over to the Township.

Mr. Kendzulak, Jr. - I'd like to go into Closed Session now to discuss the outstanding issue with Flemington Borough with regard to payment of debt service and we do not anticipate any official action will be taken at the conclusion of the Closed Session.

Mrs. Robitzski made a motion to adjourn into Closed Session for the above stated purpose and Mr. Hazard seconded the motion. Closed Session was from 5:07 pm – 5:26 pm.

5. **RESOLUTIONS:**

Resolution #2018 -76 Resolution Adopting Amended budget for Fiscal Year 2018

Mr. Cragin – This is an important part that leads into your next couple of resolutions. You had a couple of contracts this year that exceeded the expected amount. There weren't sufficient funds in the original 2018 Budget in order to adjust for further projects so we have to do an amended budget and increase the expenditures on a couple of lines and the offset to that was increasing a couple of revenue lines that out performed what we budgeted. As a quick overview, the revenues that over performed this year were Connection Fees; we budgeted Connection Fees to go up from \$50,000.00 to \$180,000.00, which you already received and realized so there is no potential for short fall or anything. Other operating revenue we're increasing by \$10,500.00 that is a result of the septage fees being increased. We had budgeted a little lower because there was a competitor in Phillipsburg. Total revenues went up a \$140,500.00; the offset to that on appropriations, your legal line is rapidly approaching the amount that you had budgeted. I spoke with Mrs. Struening and you're at \$29,000.00 and you had budgeted \$30,000.00 so \$7,500.00 will be going to increase your legal line. \$60,000.00 will be going to increase the engineering line. Mrs. Struening provides you with overviews on what is going on with engineering from month to month;

you should be fairly well informed on what is going on with engineering and why there's an increase.

Mr. Kendzulak, Jr. – Mrs. Struening does do that in the Treasurer's Report, where she provides an explanation. What I'm looking for is the explanation of why we exceeded; the \$7,500.00 obviously because we're dealing with ACO, as well as COAH related issues.

Mr. Cragin – Which is going to run your engineering up too as well as your legal. Some other things, Commerce Street Sewer Rehab, it wasn't budgeted for use in 2018, but you used I & I of \$60,000.00.

Mr. Kendzulak, Jr. – That's not so much coming out of JMT's account of where we're paying the engineer; that's coming out of the account for engineering. What had happened, the contract was awarded to re-line the Commerce Street line to the tune of \$73,000.00. That was in the 2017 Budget but what happened was that the contractor didn't start until after the new year and the \$73,000.00 wasn't put into the 2018 Budget. What we ended up doing was the \$73,000.00 had to get carried into the 2018 Budget which wasn't provided for; technically the money was there because it was left over in 2017 and ended up going into 2018.

Mr. Cragin – The key part, the following resolutions after this one, are change orders to amend the contract for legal and engineering which was an issue during last year's audit so this was an important resolution so you could do the next resolutions.

Mr. Kendzulak, Jr. – The question I have, I understand with modifying but again, it's the engineering account, the attorney stuff I get and we understand why that went over budget. The resolution associated with the engineer, it's for engineering services for JMT; we did not pay JMT the \$73,000.00.

Mr. Cragin – You didn't?

Mr. Kendzulak, Jr. – No. It was paid to the contractor. You had directed Mrs. Struening to charge that to the engineering account.

Mr. LaFerla – It got charged to the engineering account because there was \$60,000.00 for I & I.

Mr. Cragin – If you didn't pay it to JMT, then you may not have to do that resolution. I just had the total; but if you didn't pay it to JMT, you don't need to do the change order for the professional services. You may want to table the resolution for JMT then.

Mr. LaFerla – We still have to take it out of another line.

Mr. Cragin – I need a little more information at this point. I don't know that that's a proper charge to engineering. I think that needs to be moved. I misunderstood.

Mr. Grand made a motion to approve Resolution #2018 – 76, Mrs. Robitzski seconded the motion.

Roll call vote:	Mr. Grand	-	Yes
	Mr. Hazard	-	Yes
	Mr. Kendzulak, Jr.	-	Yes
	Mrs. Robitzski	-	Yes
	Mr. Tully	-	Yes

Resolution #2018 - 77 Change Order for Legal Counsel

(additional Not to Exceed \$7,500.00)

Mr. Tully made a motion to approve Resolution #2018 – 77, Mr. Grand seconded the motion.

Roll call vote:	Mr. Grand	-	Yes
	Mr. Hazard	-	Yes
	Mr. Kendzulak, Jr.	-	Yes
	Mrs. Robitzski	-	Yes
	Mr. Tully	-	Yes

Resolution #2018 - 78 Change Order for Consulting Engineer

TABLED

Roll call vote:	Mr. Grand	-
	Mr. Hazard	-
	Mr. Kendzulak, Jr.	-
	Mrs. Robitzski	-
	Mr. Tully	-

Resolution #2018 - 79 Amendment of Schedule of Sewer Use Charges and Fees

Mr. Tully made a motion to approve Resolution #2018 – 79, Mr. Grand seconded the motion.

Roll call vote:	Mr. Grand	-	Yes
	Mr. Hazard	-	Yes
	Mr. Kendzulak, Jr.	-	Yes
	Mrs. Robitzski	-	Yes
	Mr. Tully	-	Yes

6. **Approval of Minutes:** Minutes of September 18, 2018 Meeting

Mrs. Robitzski made a motion to approve the minutes from the September 18, 2018 meeting. Mr. Tully seconded the motion. All were in favor.

7. **Treasurer's Report / Payment of Bills:**

Mr. Kendzulak, Jr. - The bills totaled \$412,593.62; everything appears to be in order. If you go to the last orange page, you'll see we're at 85% of the budget and we're a little better than ten months through the year, that's about 83% through the year. The other number that Mrs. Struening wrote in is for this time last year, we were at 86%, so we're pretty much right where we should be.

Mr. Grand made a motion to approve the payment of bills. Mrs. Robitzski seconded the motion.

Roll call vote:	Mr. Grand	-	Yes
	Mr. Hazard	-	Yes
	Mr. Kendzulak, Jr.	-	Yes
	Mrs. Robitzski	-	Yes
	Mr. Tully	-	Yes

8. **Citizens' Privilege:**

Previously addressed.

9. **Adjourn into Closed Session by Motion, if Needed**

Previously addressed.

10. **Adjournment of Regular Meeting:**

Mr. Hazard made a motion to adjourn the Regular Meeting. Mr. Tully seconded the motion. All were in favor.

RARITAN TOWNSHIP MUNICIPAL UTILITIES AUTHORITY
WORK SESSION MINUTES

APPROVED

OCTOBER 18, 2018

365 Old York Road, Flemington, New Jersey
(908) 782-7453 Office (908) 782-7466 Fax

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1. **The Work Session** of the Raritan Township Municipal Utilities Authority will be called to order upon the adjournment of the Regular Meeting.
 2. **Correspondence:**
None
 3. **Unfinished Business:**
None
 4. **New Business:**
None
 5. **Professional Reports:**
 - a) Attorney – None
 - b) Engineer –

Mr. Madden – We submitted the quarterly flow report; this year has been extremely wet so the numbers are some what high. In tracking the rainfall for the last several years, this has been three of the wettest quarters since we can see. The holding tank has been repaired. We were working on this issue for the COAH capacity for this last month.

Mr. Kendzulak, Jr. – There's a letter at your desk on this. We had talked about this before; the COAH need and JMT was going to look to see what we can do to close the gap in capacity and is there a way that we can work to meet the COAH needs that the Township has. Mr. Madden went through and did an analysis on it and there are several ways we may be able to close the gap. Obviously, we can expand our plant, which is long term. Flemington builds a plant, that's long term and not practical. We resolve the issue with I & I, that's a long-term process, we can't move with that quickly and then we had talked about this engineering concept, is to go through and build what Mr. Madden calls storage tanks or equalization tanks to hold back enough to satisfy the COAH. We won't

move in that direction until the trigger point which would be about half a million of the million of capacity we have on paper comes on board; meaning, actually hooks up to the system and if we don't have the capacity to satisfy the COAH units, we'll build these equalization tanks. That's many years down in the future and by that time, realistically, something will shake out; either Flemington is building a plant, or we're expanding our plant, or we get lucky with I & I and we pick up that gap of 230 EDUs.

Mrs. Robitzski – What is the cost of the holding tank estimate?

Mr. Madden – I think it would be under one million dollars. We're thinking this ACO is going to come to a head at some point and we're going to have to settle on what's going to happen with that flow from Flemington because it's got to go somewhere; it's got to be treated there or be treated here. We also met with the County to discuss the Wastewater Management Plan. They're moving ahead, they're under pressure to get things submitted to the State because they're getting a grant to do the work and they have to spend the money by a certain time.

Mr. Hazard – The administrator was there, I was there, Mr. Kendzulak, Jr. was there, and also Mr. Hajjar.

Mr. Kendzulak, Jr. – The Wastewater Management Plan tells us where we are and how do we look at the future. DEP has assigned the Counties to take the lead on it. We have a 3.8 million gallon per day plant here. What it's saying is if all of Raritan Township developed, what's the capacity that is needed? What is the ultimate capacity if everyone was to build out on a buildable property?

Mrs. Robitzski – Thank you for explaining that, I know you guys go to meetings but then I don't know what happens.

Mr. Madden – RTMUA's line crews have been out doing some smoke testing in various sections of town and they're making a lot of headway.

Mr. Kendzulak, Jr. – At least on a quarterly basis, I'd like to get more detail on, this is what we did, we looked at all of these areas, show it on a map, and say this is the highlight of what we found, this is what we fixed, this is what remains to be fixed and the degree of potential inflow that's getting into the system.

Mr. Madden – We plan to have a report on that. Originally, we weren't including Townsends and Woodside Farms but they've gone ahead and done that smoke testing.

6. RTMUA REPORTS:

a) ADMINISTRATIVE / OPERATIONS REPORT

1. Chief Operator / Director's Report - ok
 - a) Overtime Recap
 - b) Septage / Greywater Recap
2. Laboratory Summary - ok
3. Maintenance Summary - ok
4. Readington Flows

Mr. Kendzulak, Jr. – Did anything happen with the letter we sent to Readington Township.

Mr. LaFerla – Ms. Nicaretta received it in the mail today and handed it to me right before the meeting so I didn't have time to read it yet; I'll put it on next month's agenda.

b) COMMISSIONERS' COMMENTS

None

7. Discussion:

a) Agreed Upon Procedures Report – Connection Fee

Ms. Nicaretta – This is the Connection Fee for the upcoming year, 2019. It went down a little bit.

b) 3rd Quarter 2018 Capacity Evaluation

Mr. Madden – Like I said previously, this quarter was similar to last quarter, when we had sixteen inches of rain in each. On the last chart, you can see the quarterly average, we've had three high months in a row with rain.

c) Budgeted Administrative Salaries

Mr. Kendzulak, Jr. – This is consistent with what had agreed upon in the Budget? This is just a summary?

Ms. Nicaretta – Yes, it's usually under Discussion the month before it's a resolution.

8. **Adjourn into Closed Session by Motion, if Needed**

Mr. Kendzulak, Jr. – We will be going into Closed Session to discuss contractual matters in regards to the high school, the ACO and also personnel matters; we do not anticipate any official action will need to be taken once we come out of Closed Session.

Mr. Hazard made a motion to adjourn into Closed Session for the above stated purpose and Mr. Tully seconded the motion. Closed Session was from 6:15 pm – 7:06 pm.

9. **Adjournment of Work Session:**

Mr. Tully made a motion to adjourn the Work Session. Mr. Grand seconded the motion. All were in favor. The Meeting ended at 7:07 pm.